8502432/2024/INFRA-INC01

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Land allotments - APIIC - M/s. Neogen Properties Private Limited - Consideration of the request of the Company for Waiver of charges levied for restoration and extension of time (EoT), subject to implementation of the project as per revised timelines submitted by the company vide its DPR dt.12.12.2023 - Orders - Issued.

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INDUSTRIES & COMMERCE (INFRA) DEPARTMENT

G.O.Ms.No.18 Dated:07.02.2024.

Read the following:

1. G.O.Ms.No.178, Ind & Comm. Dept., dt.21.06.2005.
2. G.O.Ms.No.103, Ind. & Comm. (Infra) Dept., dt.09.11.2023.
3. From the Authorised Signatory, M/s. Neogen Properties Private Limited, Representation dt.2.1.2024 and 19.01.2024.
4. Minutes of the State Investment Promotion Board (SIPB) meeting held on 30.01.2024.

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ORDER:

In the G.O.1st read above, orders were issued allotting 350.00 Acs (UDL) at Growth Centre, Hindupur, Ananthapuramu District on ORS basis, for developing *"Infrastructure & Knowledge Hub"* in favour of the company which was then known as *M/s. Mindspace IT Park Private Limited* and provisional allotment orders were issued on dt.21-11-2005. Subsequently, revised provisional allotment orders were issued on 28-03-2006 in the name of M/s. Neogen Properties Private Limited.

2. In the G.O. 2nd read above, orders were issued according permission for change in line of activity of M/s. Neogen Properties Private Limited for industrial park after withdrawal of the resumption orders by the APIIC and withdrawal of court cases by the firm, duly obtaining the specific timelines for implementation of project and also to follow the provisions of proposed new land allotment policy w.r.t. the request of the firm for execution of sale deed.

3. In the reference 3rd read above, the Authorised Signatory, M/s. Neogen Properties Private Limited has informed that due to the resumption orders passed on 05.05.2011 by the APIIC, the Company had filed a writ petition vide WP No 14435 of 2011 dt.21.05.2011 and obtained interim orders not to dispossess the Company from its possession of the allotted lands and the stay was made absolute on 28-09-2012. Hence, in view of the stay order being in operation the period from 28-09-2012 to till date, the period of 11 years 3 months to be considered as an eclipse and the period of implementation runs from the date of acceptance of the DPR confirming the timelines for the project implementation. He has also informed that, G.O.Ms.No.103, Ind & Comm (Infra) Dept., dt.09.11.2023 did not speak about the time period permitted for

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the implementation of the Project. And DPR indicated a period of twelve years for the implementation in different phases of the project. The time period of 9 years time was lapsed due to the pendency of the case in the Hon'ble High Court. He has requested the Govt. to consider the said time period of twelve years as indicated in their DPR to run from the date of the acceptance of DPR and not as an extension of time since the time period was lost in pendency of the case and cannot be treated as extension of time and shall not be subjected to any restoration charges and EoT charges levied or to be levied if any. Accordingly, he has requested to issue the NOC for the de-notification of SEZ permitting to enter into the Agreement of sale and also to consider the twelve-year period as afresh to reckon from the date of acceptance of the DPR for implementation of the project. Vide representation dated 7.12.2023, M/s Neogen Properties Private Limited has submitted the timelines for implementation of the project as follows:-

- Phase - I : April 2024 to October 2026
- Phase - II : April 2026 to October 2028
- Phase - III : April 2030 to February 2032
- Phase - IV : April 2033 to March 2036

4. APIIC has issued letter to Company on 12-01-2024 for payment of restoration fee @ 1% and EoT fee @ 40% on the prevailing land cost plus applicable taxes viz, Restoration Fee - 350 acres @ 1% (350 acres x 4047 Sq.mts. x Rs.2255/- PSM x 1% = Rs.3,19,40,948/- plus applicable taxes) and as per the DPR, the Extension of Time to be granted will be 15 years @ 40% of the prevailing land cost. i.e till march 2036 (350 acres x 4047 sq.mts. x Rs.2,255/- x 40% = Rs. 1,26,06,40,500 /- plus applicable taxes). Thus, the total fee to be paid is INR 130.96 Cr (plus applicable taxes)

5. The Authorised Signatory, M/s. Neogen Properties Private Limited has requested vide letter dated 19-01-2024 informed that they shall not be subjected to the restoration charges and the EoT charges on account of the following:-

a. The resumption orders were passed unilaterally, and the stay was absolute on 28-09-2012, the writ petition is pending since then and the implementation period for project was kept in abeyance and in the process, we lost valuable 10 years project implementation period for reasons not attributable to us.
b. The initial investment by the Developer Company shall be around Rs.200 crores for the development of infrastructure to house the units and investment by the unit holders will be to the tune of Rs.750 crores and combined investment comes to Rs.950 crores.
c. That on account of development of the project by the Company the direct and indirect employment generation shall be around 4000 employees.

Stating the above, M/s. Neogen Properties Private Limited has requested for the waiver of restoration charges and the EoT charges levied by APIIC and requested to issue the NOC for the de-notification of SEZ permitting to enter into the Agreement of sale and also to consider the twelve-year period as afresh to reckon from the date of acceptance of the DPR for implementation of the project.

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6. Accordingly, the request of the Company has been placed before State Investment Promotion Board (SIPB) meeting held on 30.01.2024 with the recommendations of the State Investment Promotion Committee (SIPC) in its meeting held on 29.01.2024.

7. In the reference 4th read above, the SIPB has discussed the proposal and recommended for waiver of charges levied for restoration and extension of time subject to implementation of the project as per revised timelines submitted by the company in its DPR dt.12.12.2023 i.e upto 31.03.2036 for all the four phases of the project

8. Government after careful examination of the proposal, hereby approved the request of M/s. Neogen Properties Private Limited for waiver of charges levied for restoration and extension of time, subject to implementation of the project as per revised timelines submitted by the company in its DPR dt.12.12.2023 i.e., upto 31.03.2036 for all the four phases of the project.

9. The VC&MD, APIIC Ltd., Shall take necessary action in the matter accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

N. YUVARAJ
SECRETARY TO GOVERNMENT & CIP

To
The Vice Chairman & Managing Director, APIIC, APIIC tower,
IT Park, Mangalagiri, Guntur District, A.P.-522503.
The Commissioner of Industries, APIIC Towers, 8th floor,
Mangalagiri, A.P.-522 503.
Copy to:
The General Administration (Cabinet) Dept., A.P. Secretariat.
(W.r.t the U.O.No.33/2024,dt.01.02.2024).
The P.S to Special Chief Secretary to Hon'ble Chief Minister, O/o the CMO.
The P.S.to Hon'ble Minister (III&C and IT).GoAP.
The P.S to Chief Secretary to Govt., A.P. Secretariat.
The Authorised Signatory, M/s. Neogen Properties Pvt. Ltd.,
The P.S to Secretary to Government & CIP, Ind & Com Dept,
A.P. Secretariat.
SC/SF.

//FORWARDED : : BY ORDER//

SECTION OFFICER